



FEDERAL DIRECT LOAN GRADUATE PLUS INSTRUCTIONS (2011-2012)

THE CATHOLIC UNIVERSITY OF AMERICA
Office of Student Financial Assistance

The Catholic University of America participates in the William D. Ford Federal Direct Graduate PLUS Loan Program (Direct PLUS). The Direct PLUS Loan program is a non-need based, low-interest loan made to graduate students. The student may borrow an amount up to the cost of attendance less any financial assistance. Please note that each new loan you receive requires a separate payment each month. The interest rate is fixed at 7.9%. Repayment begins 60 days after the full disbursement of the loan, and any changes to the loan must be executed by the University's Office of Student Financial Assistance within 14 days of disbursement of the loan. Student borrower must be U.S. citizens or permanent residents to apply for the loan.

Steps to Obtain a Federal Direct Graduate PLUS Loan at Catholic University

1. Complete the Free Application for Federal Student Aid (FAFSA) at <http://www.fafsa.gov>. The student must have and the endorser (if applicable) must have a federal PIN, which can be obtained at <http://www.pin.ed.gov>.
2. The student borrower must complete the DOE Direct PLUS Loan application (which initiates the credit check) at <http://studentloans.gov>. To complete the application, click on "Request a PLUS Loan". NOTE: If you apply for a subsequent PLUS Loan during the academic year or in a future year you will have to complete another DOE Direct PLUS Loan application.
3. The student borrower must complete the PLUS Loan Master Promissory Note (MPN) at <http://studentloans.gov>. You will only be required to complete another promissory note for a subsequent application if you applied previously with a co-signer.
4. The student borrower (if you are a first -time borrower of a Federal Direct Graduate PLUS Loan at Catholic University) must complete an entrance loan counseling session at <http://studentloans.gov>. You must complete an entrance loan counseling session so that you are aware of your rights and responsibilities as a borrower. The on-line session will take you about twenty minutes to complete.
5. Once a credit check is approved, the student borrower must complete the CUA Direct Graduate PLUS Loan application. It may be submitted via fax to 202-319-5573 or via mail to: The Catholic University of America, Office of Student Financial Assistance, 6 McMahon Hall, 620 Michigan Avenue, NE, Washington DC 20064.

Disbursement Procedure

After loan approval, the Direct PLUS funds will be available for disbursement, no earlier than 10 days before the start of the term. These funds are normally payable in two disbursements, one-half of the total loan amount for each semester. Funds will be applied toward the student's university billing statement once the student has enrolled in sufficient credit hours. Interest on the loan begins to accrue at the time of disbursement. A financial aid award notice will be available in Cardinal Station indicating the total loan amount of the Direct PLUS awarded. The actual amount disbursed will be the gross amount minus origination fees (2.5%).

Please note: If additional financial assistance or other educational resources are received by the student after the Direct PLUS application is certified, one or both of the loan disbursements may be reduced or cancelled to prevent over-awards. Similarly, if tuition charges are reduced because of a change in enrollment, one or both of the loan disbursements may be adjusted.

Timeline for Processing the Direct Graduate PLUS Loan

1. Once the university receives the FAFSA, we will determine if the student is eligible for federal, state and or institutional aid. The university may request additional documentation of the family's financial situation. This will be communicated through the student's To Do List in Cardinal Station.
2. Once the student has been awarded, which typically takes 2-4 weeks from the date we receive the last requested document, the student must accept or decline the offered aid in the Cardinal Station. Failure to do so will delay the processing of the Direct Graduate PLUS Loan.

3. Once the student has accepted or declined the offered aid in the Cardinal Station, Direct Graduate PLUS Loan eligibility is calculated, and the loan is processed. After loan approval, the Direct Graduate PLUS Loan funds will be available for disbursement.

We encourage the student borrower considering the Direct Graduate PLUS Loan to complete the entire application process well in advance of the start of the academic year. Late applications are unlikely to be completed before the fall 2011 bill due date. Student borrowers who find themselves applying late should plan to use other means to cover the cost of attendance while their Direct Graduate PLUS Loan application is pending.

IMPORTANT: Your Federal Direct Graduate PLUS Loan will not disburse unless you complete all of the steps and the loan is approved by the U.S. Department of Education.

When calculating the amount you wish to borrow, please consider all expected expenses for the entire academic year. *Please Note:* A student borrower may apply for a PLUS loan up to the student's estimated Cost of Attendance (COA) minus all other financial aid. The COA and the student's total amount of financial aid can be found on the student's award notice.

Student's Cost of Attendance (COA) _____

Student total financial aid award _____

Maximum you may borrow _____ (enter an amount up to this amount on the attached form)



FEDERAL DIRECT LOAN GRADUATE PLUS APPLICATION (2011-2012)

THE CATHOLIC UNIVERSITY OF AMERICA
Office of Financial Aid

For CUA to process your Direct Graduate PLUS Loan application, you must complete 1) the FAFSA (available at <http://www.fafsa.gov>), 2) the Federal Direct PLUS Promissory note, 3) the Federal Direct PLUS Loan application, 4) a Federal Direct PLUS Loan Entrance Counseling (all three are available at <http://studentloans.gov>) and 5) this CUA Direct Graduate PLUS Loan application.

The Federal Direct Graduate PLUS Loan is for graduate students who have borrowed the annual maximum of \$20,500 from the Federal Direct Stafford Loan Program. Your actual Federal Stafford Loan eligibility is listed on your financial aid award notification. **You should fully utilize your Federal Direct Stafford Loan eligibility before requesting additional loan funds from the Federal Direct PLUS Loan Program.** The Subsidized and Unsubsidized Stafford Loan has an interest rate of 6.80% compared to a 7.9% for the Federal PLUS Loan. Interest starts accruing on the Subsidized Stafford Loan after the one-time six month grace period which begins when you graduate, leave school or enroll less than half-time and when you are not in deferment status. Interest accrues upon disbursement for both the Unsubsidized Stafford and PLUS Loans. Both Subsidized and Unsubsidized Stafford Loans enter repayment after the one-time six month grace period which begins when you graduate, leave school or enroll less than half-time. PLUS Loan repayment begins within 60 days after the loan is fully disbursed. There is no grace period for the PLUS Loan, but while you are enrolled in school on at least a half-time basis, you are eligible for an in-school deferment which allows you to postpone payments on your Direct PLUS Loan until you graduate or drop below half-time status.

You may apply for a loan in an amount up to the unmet cost of attendance. The unmet cost of attendance is the difference between the cost of attendance and your financial aid offer. If you receive any additional resources, or if your enrollment or academic standing changes at any time during the year, the PLUS loan may be reduced or cancelled.

You have the option of paying interest while you are in school, or having the interest capitalized (added to the loan principal). A loan origination fee is charged as a percentage (up to 4 percent) of the principal amount of each Federal Direct Graduate PLUS Loan a student receives. The U.S. Department of Education will deduct the fee before the loan disburses, so the loan amount received will be less than the amount originally borrowed. You will have to repay the entire amount, including the fee. The Federal Direct Graduate PLUS Loan offers the same repayment plans as the Federal Direct Student Loan Program. Information on repayment plans is available from the Direct Loan Servicing Center at <https://studentloans.gov>.

ONLY SUBMIT THIS APPLICATION IF YOU HAVE BEEN CREDIT APPROVED AND HAVE ALSO COMPLETED A FEDERAL DIRECT PLUS PROMISSORY NOTE AND ENTRANCE COUSELING

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| NAME: _____ CUA ID #: _____ (please print) Last First M.I. | |
| Loan Amount Requested (please note that this amount may be reduced depending on eligibility) | |
| <input type="checkbox"/> I request the maximum amount (Your application will be processed for the maximum amount if this question is left blank) <input type="checkbox"/> I request the following amount \$_____.00 <input type="checkbox"/> I request the following increase of \$_____.00 to an existing current year Graduate PLUS Loan. | |
| LOAN TERM (CHECK ONE) <input type="checkbox"/> ACADEMIC YEAR (half of loan in fall; half of loan in spring) <input type="checkbox"/> FALL ONLY <input type="checkbox"/> SPRING ONLY <input type="checkbox"/> SUMMER ONLY | Anticipated Enrollment <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Dissertation Guidance/Comprehensive Exam <input type="checkbox"/> Other _____ (explain) |

STATEMENT OF EDUCATIONAL PURPOSE:

My signature indicates that I am applying for, am eligible to receive, and accept a Federal Direct Graduate PLUS Loan in the amount requested above. I authorize the U.S. Department of Education to investigate my credit record and determine my credit worthiness for this loan. I certify that any funds received from this loan will be used for expenses related to attendance at Catholic University and that I am eligible to receive the proceeds of this loan, and that the information provided on this form is complete and accurate to the best of my knowledge. I further certify that I am not in default on an education loan nor do I owe a refund on a federal grant.

Borrower's Signature

Date

USE ONE OF THE FOLLOWING METHODS TO RETURN THIS FORM:

| MAIL | FAX | IN-PERSON |
|---------------------------------------------------------------------------------------------------------|--------------|------------------------|
| The Catholic University of America 6 McMahon Hall 620 Michigan Avenue, NE Washington, DC 20064 | 202-319-5573 | McMahon Hall Room 6 |